

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ALTERNATIVE RATE ADJUSTMENT FILING OF)	CASE NO.
EDMONSON COUNTY WATER DISTRICT)	2023-00037

RESPONSE OF EDMONSON COUNTY WATER DISTRICT
TO THE COMMISSION STAFF'S INITIAL REQUEST FOR
INFORMATION DATED MARCH 2, 2023

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ALTERNATIVE RATE ADJUSTMENT FILING OF) CASE NO.
EDMONSON COUNTY WATER DISTRICT) 2023-00037

VERIFICATION OF ALAN VILINES

COMMONWEALTH OF KENTUCKY)
)
COUNTY OF WARREN)

Alan Vilines, Kentucky Rural Water Association on behalf of Edmonson County Water District, states that he has supervised the preparation of certain responses to the Request for Information in the above-referenced case and that the matters and things set forth therein are true and accurate to the best of his knowledge, information, and belief, formed after reasonable inquiry.

Alan Vilines

Alan Vilines

The foregoing Verification was signed, acknowledged and sworn to before me this 5th day of April 2023, by Alan Vilines.

John A. Wilkins

John A. Wilkins

Commission expiration: 06/17/25

John A. Wilkins
Notary Public
Kentucky, State at Large
Notary ID: KYNP31768
My Commission Expires June 17, 2025



Edmonson County Water District
Case No. 2023-00037
Commission Staff's First Request for Information

Witnesses: Tony Sanders (Items 1.a – h & j, 3 – 6, 8 – 12, and 14.c & d)
Alan Vilines (Items 1.i, 2, 7, 13, and 14.a & b)

1. Provide copies of each of the following, and when appropriate, provide in Excel spreadsheet format with all formulas, rows, and columns unprotected and fully accessible:

a. The general ledger for the calendar years 2021 and 2022; and the trial balance for the calendar years 2021 and 2022.

Response: See files EC1 1.a-2021 Sewer General Ledger
EC1 1.a-2022 Sewer General Ledger
See Item 1.b below for all Trial Balances.

b. Adjusted Trial Balance showing unaudited account balances, audit adjustments, and audited balances for the calendar years 2021 and 2022.

Response: See files EC1 1.b-2021 Sewer Unaudited TB
EC1 1.b-2022 Sewer Unaudited TB
EC1 1.b-2021 Sewer Audit Adjmts
EC1 1.b-2022 Sewer Audit Adjmts
EC1 1.b-2021 Sewer Audited TB
EC1 1.b-2022 Sewer Audited TB

c. Minutes from Edmonson District's commissioner meetings for the calendar years 2020, 2021, and 2022.

Response: See files EC1 1.c-2020 Minutes
EC1 1.c-2021 Minutes
EC1 1.c-2022 Minutes

d. Insurance policies for 2021 and 2022, if available.

Response: See file EC1 1.d-Insurance Policies

e. Hours worked by each employee for the calendar years 2021 and 2022.

Response: See files EC1 1.e-2021_2022 Swr Hrs_Wages
EC1 1.e-2021_2022 All Hours Worked

f. A document listing the names, job titles, job description, and pay rates for each employee during the test year and for those currently employed.

Response: See file EC1 1.f-Employee Info

g. A list that describes all employee benefits, other than salaries and wages, paid to, or on behalf of, each employee for each of the previous five years.

Response: See file EC1 1.g-Employee Benefits

h. A document listing the name of all commissioners for each of the five previous years, and state, individually, the total amount of each benefit paid to, or on the behalf of, each commissioner during each year (i.e., wages, health insurance premiums, life insurance premiums, FICA taxes, etc.).

Response: See file EC1 1.h-Commissioner Comp

i. Refer to the Application, 04_SAO_and_Rev_Reqmt.pdf, References. Provide all workpapers used to generate the proposed adjustments A-K.

Response: See file EC1 1.i-SAO Adjustments

j. Refer to Adjustment D. Provide a list of each division and include the number of Customers within each division.

Response: At the end of 2022 the District had 11,279 water customers and 57 sewer customers. At the end of the 2021 the District had 11,099 water customers and 57 sewer customers.

2. Provide the calculations used to determine the allocation of expenses to Edmonson Sewer Division.

Response: Because of improved accounting for field labor in 2022, pro forma field employee labor was calculated using current wage rates and hours worked in 2022 on the sewer system. Other allocations are as shown in the file "EC1 1.i-SAO Adjustments".

3. Provide a breakdown for the number of board meetings each commissioner attended during the test year.

Response: See file EC1 3-Board Attendance 2021

4. Provide a copy of the most recent invoice received for all insurance policies provided to employees.

Response: See file EC1 4-Insurance Invoices

5. Confirm whether Edmonson District participates in the County Employee Retirement System.

Response: The District does not participate in the County Employee Retirement System.

6. Identify the number of new sewer connections that Edmonson District installed in calendar years 2021 and 2022.

Response: No new sewer connections were installed in 2021 or 2022.

7. Refer to the Application, 04_SAO_and_Rev_Reqmt.pdf, Operating Revenues. Provide a detailed breakdown of the items totaling Other Sewer Revenues.

Response: The total shown for Other Sewer Revenues is \$449. This is from Trial Balance Account #53200, Forfeited Discounts which includes \$232.97 in late fees collected from Edmonson District customers and \$215.74 from Caveland Environmental customers. After 2022 the District's procedure was changed and late fees for Caveland's customers are no longer posted to Account #53200.

8. Provide the number of occurrences for which late fees were assessed and the total revenue during the calendar years; 2021 and 2022.

Response: In 2021 there were 85 late fees assessed with total revenue of \$232.97. In 2022 there were 92 occurrences and revenue of \$244.01

9. Provide the number of occurrences for which Service Call/Investigation fees were assessed and the total revenue during the calendar years; 2021 and 2022.

Response: No Service Call/Investigation fees were assessed in 2021 or 2022.

10. Provide the number of occurrences for which reconnect charges were assessed and the total revenue during the calendar years; 2021 and 2022.

Response: No sewer reconnect fees were collected in 2021 or 2022.

11. Provide the number of occurrences for which meter test charges were assessed and the total revenue during the calendar years; 2021 and 2022.

Response: No meter test charges were assessed in 2021 or 2022.

12. Provide the number of occurrences for which return check charges were assessed and the total revenue during the calendar years; 2021 and 2022.

Response: No return check fees were assessed in 2021 or 2022.

13. Provide a copy of the most recent cost-of-service-study (COSS) performed for Edmonson District's system in Excel spreadsheet format with all formulas, rows, and columns fully accessible and unprotected.

Response: Available records back to the origin of the sewer system were searched and a COSS was not found.

a. State the last time Edmonson District performed a COSS to review the appropriateness of its current rates and rate design.

Response: Unknown - see Item 13.a above.

b. Explain whether Edmonson District considered filing a COSS with the current rate application and the reasoning for not filing one.

Response: The District did not consider filing a COSS with this application. The District considered an across-the-board increase to be the most equitable means of passing on increased costs to its customers. Applying a uniform percentage increase to all customer classes lessens the likelihood that the public will perceive that any customer class is being unfairly favored or disfavored.

c. Explain whether any material changes to Edmonson District's system would cause a new COSS to be prepared since the last time it has completed one.

Response: Material changes to the District's system would be sufficient cause for a COSS to be prepared.

d. If there have been no material changes to Grant Sewer District's system, explain when Edmonson District anticipates completing a new COSS.

Response: A new COSS may be justified if material changes occur.

14. Refer to Edmonson District's Application, Current Billing Analysis.

a. Provide the billing analysis in Excel Spreadsheet format with all formulas, rows, and columns unprotected and fully accessible.

Response: See file EC1 14.a-Billing Analyses

b. Provide a list of applicable adjustments made to the billing analysis and include an explanation of each adjustment.

Response: No adjustments were made to the billing analysis.

c. Provide the date that Edmonson District's meter-reading billing cycle begins.

Response: The meter reading cycle for all sewer accounts begins on or around the 2nd of each month.

d. State if the date that the billing cycle begins is the date that would best be stated as the effective date of any Order the Commission issues concerning rates in this case.

Response: Yes, the best effective date will be on or around the 2nd of the month.